

# County of Los Angeles DEPARTMENT OF PUBLIC SOCIAL SERVICES

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BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

23 August 13, 2013

Sachi a. Hamae Sachi a. Hamai EXECUTIVE OFFICER

August 06, 2013

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

**Dear Supervisors:** 

APPROVE A REDUCTION IN THE NUMBER OF ELIGIBILITY WORK HOURS REQUIRED FOR IN-HOME SUPPORTIVE SERVICES HOMECARE WORKERS TO BE ELIGIBLE LA CARE HEALTH PLAN BENEFITS(ALL DISTRICTS – 3 VOTES)

# **SUBJECT**

This is a joint recommendation by the Directors of the Department of Public Social Services (DPSS) and the Department of Health Services (DHS) that the Board approve the request to lower the eligibility criteria for In-Home Supportive Services (IHSS) Homecare Workers to receive L.A. Care Health Plan benefits under the Personal Assistance Services Council (PASC) – Service Employees International Union (SEIU) Homecare Workers Health Care Plan Group Benefit Agreement effective September 1, 2013.

#### IT IS RECOMMENDED THAT THE BOARD:

- 1. Approve the reduction in the authorized hours of service from 77 hours per month for two consecutive months to 73 hours per month for two consecutive months for IHSS Homecare Workers to be eligible to receive L.A. Care Health Plan benefits under the PASC-SEIU Homecare Workers Health Care Plan Group Benefits Agreement effective September 1, 2013.
- 2. Authorize and delegate authority to the Director of the DPSS, or her designee, to instruct the PASC to negotiate and amend the PASC-SEIU Homecare Workers Health Care Plan Group Benefit Agreement to reflect the reduction of authorized hours of service from 77 hours per month for two consecutive months to 73 hours per month for two consecutive months effective September 1, 2013.
- 3. Authorize and delegate authority to the Director of the DHS, or his designee, to amend the PASC-SEIU Homecare Workers Health Care Plan Group Benefit Agreement with the PASC, Contract Number H-213335, to reflect the reduction in the authorized service hours from 77 hours per month

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for two consecutive months to 73 hours per month for two consecutive months effective September 1, 2013.

4. The State will restore the IHSS recipient's total hours by one percent for a total of seven percent effective July 1, 2014. Therefore, (a) beginning July 1, 2014, approve the increase in the authorized hours of service from 73 hours per month for two consecutive months to 74 hours per month for two consecutive months for IHSS Homecare Workers to be eligible to receive L.A. Care Health Plan benefits under the PASC-SEIU Homecare Workers Health Care Plan Group Benefit Agreement, (b) authorize and delegate authority to the Director of DPSS, or her designee, to instruct the PASC to negotiate and amend the PASC-SEIU Homecare Workers Health Care Plan Group Benefit Agreement to reflect the increase of authorized hours of service from 73 hours per month for two consecutive months to 74 hours per month for two consecutive months, and (c) authorize and delegate authority to the Director of DHS, or his designee, to amend the PASC-SEIU Homecare Workers Health Care Plan Group Benefit Agreement with the PASC, Contract Number H-213335, to reflect the increase in the authorized service hours from 73 hours per month for two consecutive months to 74 hours per month for two consecutive months.

# PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Board established the eligibility criteria for the L.A. Care benefits under the PASC-SEIU Health Care Plan.

On March 29, 2011, the Board approved the eligibility criteria for authorized hours of service as 77 hours per month for two consecutive months for IHSS Homecare Workers to qualify for L.A. Care Health Plan benefits under the PASC-SEIU Health Care Plan. L.A. Care Health Plan is a health maintenance organization licensed as a full service, health care service plan under the California Knox-Keene Health Services Plan Act of 1975. Should the IHSS Homecare Workers' authorized hours of service fall below the eligibility criteria, they continue to remain eligible for two additional months of L.A. Care Health Plan benefits before becoming ineligible. All other criteria for eligibility remain the same.

Prior existing law (Assembly Bill 1612) called for a reduction of 3.6 percent in authorized hours of service to each IHSS recipient through July 1, 2013, which directly impacted the health benefits of IHSS Homecare Workers. As a result, the board approved a reduction in the health benefits criteria from 80 to 77 hours to ensure those IHSS Homecare Workers previously eligible remained eligible.

On May 30, 2013, Senate Bill 67 was approved to implement an eight percent reduction in authorized hours of service to each IHSS recipient effective July 1, 2013, with the eight percent reduction reduced to a seven percent reduction in authorized hours effective July 1, 2014.

Since the health benefits criterion was reduced in April 2011 to capture the 3.6 percent reduction, we now request to reduce the criteria by an additional 4.4 percent for a total of 8 percent. This additional 4.4 percent reduction will maintain those previously eligible to remain eligible.

By reducing the authorized hours of service per month from 77 to 73 per month for two consecutive months, approximately 1,877 current IHSS Homecare Workers will retain their L.A. Care benefits under the PASC-SEIU Health Care Plan.

#### Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan, Goal

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2, Fiscal Sustainability: Strengthen and enhance the County's capacity to sustain essential County services through proactive and prudent fiscal policies and stewardship, and Goal 3, Integrated Services Delivery: Maximize opportunities to measurably improve client and community outcomes and leverage resources through the continuous integration of health, community and public safety services.

# **FISCAL IMPACT/FINANCING**

Funding allocated for L.A. Care Health Plan's arrangement of medical services, and PASC administrative cost under the PASC-SEIU Health Care Plan in the DPSS Fiscal Year (FY) 2013-14 budget is \$165.3 million. The current monthly L.A. Care premium payment for each IHSS Homecare Worker enrolled under the PASC-SEIU Health Care Plan is supplemented by federal, State and County participation. There is no fiscal impact associated with the reduction in the eligibility criteria in authorized hours of service from 77 to 73 hours since the current FY budget includes funding for the health benefits of the 1,877 IHSS Homecare Workers who will retain their L.A. Care Health Plan benefits if the eligibility criterion in authorized hours of service is reduced.

# **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

As of April 1, 2013, 88,427 IHSS Homecare Workers qualified for L.A. Care Health Plan benefits under the PASC-SEIU Health Care Plan, but only 42,285 were enrolled.

A significant reason for not enrolling in L.A. Care benefits under the PASC-SEIU Health Care Plan includes having other medical coverage, such as Medi-Cal or spousal benefits.

Due to Senate Bill 67, of the 42,285 enrolled IHSS Homecare Workers, an estimated 1,877 IHSS Homecare Workers would lose their L.A. Care benefits under the PASC-SEIU Health Care Plan effective August 31, 2013, absent a change in the eligibility criteria. Lowering the IHSS Homecare Workers' authorized hours of service from 77 hours per month for two consecutive months to 73 hours per month for two consecutive months would allow these 1,877 current IHSS Homecare Workers to continue receiving health benefits. This change requires Board approval.

# **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The recommended actions would help to maintain the IHSS Homecare workforce affected by the additional 4.4 percent reduction in authorized work hours that might otherwise leave the IHSS program for lack of an affordable health care plan, and would avert replacement of the IHSS Homecare Worker providing services to the IHSS consumer.

## **CONCLUSION**

Upon Board approval, the Executive Office, Board of Supervisors, is requested to return one adopted stamped Board Letter to DPSS and one adopted stamped Board Letter to DHS.

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Respectfully submitted,

SHERYL L. SPILLER

Director

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County Counsel

Executive Officer, Board of Supervisors Personal Assistance Services Council mulhed Kg

Mitchell H. Katz, M.D.

Director